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## **CHURCH PROMOTER SENTENCED TO PRISON FOR FAILURE TO FILE TAX RETURNS**

PHOENIX – John Delo Nichols Jr., 65, of Apache Junction, Arizona, was sentenced Tuesday to seven months imprisonment followed by five months of home confinement by U.S. District Judge Paul G. Rosenblatt. Nichols pleaded guilty on April 26, 2005, to one count of Willful Failure to File a Tax Return, in which he admitted to failing to pay taxes on money resulting from his promotion of the “Freedom Church of Revelation.” (FCR).

Nichols had been charged with three counts of Willful Failure to File a Tax Return for the tax years 1997, 1998, and 1999. Each charge carried a maximum penalty of one year in jail and a \$25,000 fine or both. The indictment alleged that Nichols received gross income of \$136,885 in 1997; \$267,491 in 1998; and, \$565,163 in 1999. As a result of the plea agreement and guilty plea regarding the 1999 tax year, the other two counts were dismissed following sentencing.

Court papers reflected that Nichols received a substantial amount of money as a result of his activities promoting the “Freedom Church of Revelation” (FCR). Some of the money came as a result of “seminars” conducted promoting the FCR. These funds were placed in accounts he controlled, and checks totaling approximately \$70,000 were written to him, personally, or to cash, from these accounts during the calendar year ending December 31, 1999. At the time he received these funds, Nichols admitted, he knew of the requirements to file a return reporting the income. He acknowledged he “willfully blinded” himself to the truth. His failure to file was not the result of accident or negligence, he agreed. The tax loss resulting from his failure to file a return was more than \$40,000.

The investigation preceding the indictment was conducted by special agents of the Criminal Investigation Division of the Internal Revenue Service. The prosecution was handled by Daniel Drake, Assistant U.S. Attorney, District of Arizona.

CASE NUMBER: CR-04-350-PHX-PGR  
RELEASE NUMBER: 2006-189(Nichols)

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